

Draft Leaflet, in response to Moscone's July 13 letter (Hartman)

MAYOR MOSCONE--- WHAT YOUR REAL REASON FOR NOT ACCEPTING THE TENANTS' NEW

PLAN TO SAVE THE INTERNATIONAL HOTEL??????

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On July 6, the Board of the International/Hotel Tenants Association met with Mayor Moscone to present him their new plan to save the Hotel. In essence, that plan calls for:

- Filing immediately a new Housing Authority eminent domain action, to take ~~for~~ the Hotel for permanent ownership (an action the courts have indicated would be legal.)
- Paying for the acquisition and renovation of the Hotel through a Housing Authority revenue bond issue.
- Repaying that bond primarily through rents from the Hotel rooms (which would be kept at current levels) and from the downstairs commercial/community spaces. The gap between rental income and the amount needed to repay the bond issue would come from a combination of: private grants (the Hotel already has received two \$100,000 grants from the Campaign for Human Development and is in line to receive a \$133,000 federal grant) and a small city subsidy.
- The IHTA will manage the Hotel under a contract with the Housing Authority.

At their July 6 meeting, Mayor Moscone raised some possible legal and practical problems with the IHTA plan. The tenants responded with a detailed memorandum, rebutting those objections, and backed by legal opinions from specialists at the National Housing Law Project.

On July 13, Mayor Moscone delivered a letter to the IHTA, rejecting their plan. He gave four reasons:

- 1)* That the present Board of Supervisors would never go along with it;
- 2)* That a new eminent domain action by the Housing Authority would lead to dismissal of the current action;
- 3)* That the bond issue called for under the IHTA plan would have to go before the voters; ~~and~~ and
- 4)* That if the Housing Authority owns the Hotel people on its waiting list would have ~~priority~~ to take priority over current residents.

The IHTA response to each of these points is:

- 1) No Board of Supervisors action is called for at present, and the composition of the Board and the attitudes of ~~the~~ current Supervisors likely will be very different starting August 3;
- 2) The filing of a new eminent domain action by the Housing Authority would make the current action unnecessary;
- 3) The bond issue wouldn't have to be voted on until next year, and the voters would ~~approve such a bond issue; and~~

- 4) Housing authorities have the flexibility to set their own occupancy priorities, and tenant management of public housing developments is being encouraged by the federal government and is successful in other cities.

The IHTA now is attempting to get Mayor Moscone to meet with them ~~xx~~ in order to force the Mayor to change his mind. They are also organizing widespread community support around their plan.

The IHTA's new plan is workable and will cost the City nothing. Why won't Mayor Moscone accept it????

Confront the Mayor with this question. Demand that he get behind the tenants' plan.

For further information, contact.....